

Unclassified

PUMA(99)2



Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

OLIS : 11-Mar-1999  
Dist. : 12-Mar-1999

PARIS

PUBLIC MANAGEMENT SERVICE  
PUBLIC MANAGEMENT COMMITTEE

Or. Eng.

PUMA(99)2  
Unclassified

Cancels & replaces the same document:  
distributed 01-Mar-1999

## THE GOVERNMENT PERFORMANCE PROJECT

19th Session of the Committee, Château de la Muette, Paris  
25-26 March 1999

*This paper provides some background on the Government Performance Project, which is being undertaken in the United States by the administration of the Maxwell School's Alan K. Campbell Public Affairs Institute under the leadership of Professor Patricia Ingraham.*

*This document includes 2 additional attachments:  
Attachment 2: Federal Agency Management Performance Criteria  
Attachment 3: Questions and Answers about the GPP*

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## **THE GOVERNMENT PERFORMANCE PROJECT**

### **PURPOSE**

1. This paper provides some background on the Government Performance Project, which is being undertaken in the United States by the administration of the Maxwell School's Alan K. Campbell Public Affairs Institute under the leadership of Professor Patricia Ingraham.
2. Professor Ingraham has been invited to present the project at the PUMA Committee meeting. This is in keeping with the desire of the Bureau and Committee to have meetings deal with substantive public management issues and methodologies.

### **PROJECT GOALS**

3. The Government Performance Project aims to improve both the understanding and practice of government management throughout the United States at the city, county, state and federal levels. This will be accomplished through better understanding of the roles and dimensions of management in government; it will enhance public accountability for the quality of public management.
4. Toward these ends, the project has the following specific goals:
  - To enable the governments and agencies to learn from one another and to improve their performance as a result. At the same time, the project will help to bring widespread recognition to those entities that are strong performers in management-related areas.
  - To inform the public about factors that contribute to effective management in the public sector. By bringing widespread attention to such oft-ignored topics, it is hoped that the level of public debate will be raised from one which tends to focus on politics and personality to one which has greater emphasis on the actual effectiveness of government.
  - To improve citizen understanding of contemporary management issues in governments, and to inform the public about the overall capacity of government their tax dollars buy.
  - To create a clearinghouse of information related to government management upon which administrators from any government entity can call to obtain information regarding public sector management practices. This resource will enhance learning across similar units of government.

## PROJECT HISTORY

5. In 1996, the Maxwell School of Citizenship & Public Affairs at Syracuse University was awarded a four year grant from *The Pew Charitable Trusts* to rate the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by Maxwell's Alan K. Campbell Public Affairs Institute.

6. Patricia W. Ingraham, Professor of Public Administration and Political Science, directs both the GPP and the Campbell Institute. Professor Ingraham is a past president of the National Association of Schools of Public Affairs and Administration and a fellow of the National Academy of Public Administration.

7. The project, the most comprehensive analysis of public management ever completed, links the Maxwell School with two highly respected magazines in the field of government reporting: *Governing* (for the states and localities) and *Government Executive* (for the federal government). Information developed by the Maxwell School and material obtained through the magazines' own reporting will be published annually.

## PROJECT STATUS

8. During the first year of the project, the GPP conducted pilot studies in four cities and counties (Philadelphia, Phoenix, Cuyahoga County, OH, and Hennepin County, MN), four states (Florida, Kansas, Ohio, and Oregon), and four federal agencies (Defence Logistics Agency, Food and Drug Administration, United States Coast Guard, and Veterans Health Administration). During this phase, the Maxwell School developed a methodology that will be used through the remainder of the project. Pilots were chosen through a careful process that included emphasis on diversity in size and location among the cities, counties and states and a diversity of function among the federal agencies. The pilot year ended in the fall of 1997.

9. The Government Performance Project announced its management evaluation of all 50 States and 15 high profile federal agencies on February 1, 1999 at the National Press Club in Washington D.C. The results of the state and federal evaluations were published in the February 1999 editions of *Governing and Government Executive*. There will be some copies of these issues available at the PUMA meeting.

10. Federal agencies selected for participation in Year One included: Environmental Protection Agency, Food and Drug Administration (HHS), Food Safety and Inspection Service (USDA), Federal Aviation Administration (DOT), Occupational Safety and Health Administration (DOL), Patent and Trademark Office (DOC), Social Security Administration, Health Care Financing Administration (HHS), Food and Nutrition Service (USDA), Veterans Health Administration (DVA), Federal Emergency Management Agency, Federal Housing Administration (HUD), Immigration and Naturalisation Service (DOJ), Internal Revenue Service (Treasury), and Customs (Treasury). These are well-recognised agencies with broad daily impact on citizen's lives.

11. In addition to the publication of the survey results, the Campbell Institute and the Maxwell School are involved in the academic analysis of government management capacity. The data set from the project is being used to produce academic papers on the survey results, methodology, and evaluation criteria.

12. In 1999, the project will analyse the 35 largest US cities (by revenue) carefully examining links between management and performance.

### **DESCRIPTION OF MANAGEMENT SECTIONS EVALUATED IN THE GOVERNMENT PERFORMANCE PROJECT**

13. There are five main management areas being evaluated. A description of each follows.

- **Financial Management**

This section is designed to measure the extent to which governments engage in sound financial management practices, including: budget preparation and execution; cash, contract, debt and revenue management; accounting and financial reporting procedures; and the overall financial management system is linked to the achievement of strategic goals and objectives.

- **Human Resources Management**

This section is designed to measure the effectiveness of human resources management (HRM) systems. Information regarding the structure of the HRM system, the degree to which it is integrated with other systems in pursuit of the mission, and the ability of HRM structures and procedures to adapt are emphasised. The goal is to determine the characteristics of effective HRM strategies through an examination of both the environment in which HRM systems operate and the content of those systems.

- **Information Technology**

This section is designed to assess the extent to which information technology contributes to effective management. The focus is on the usefulness of technology for management, rather than simply on the management of technology itself. The evaluation covers various aspects of the technology process, including planning, acquisition, development, training of users, and usefulness of information.

- **Capital Management**

This section is designed to measure the extent to which the government engages in meaningful, long-range capital planning, including: consideration of the impact of capital projects on future operating and maintenance expenses; assessment of asset condition and replacement/overhaul forecasting; development of accurate information on future needs, cost analysis; prioritisation and tracking of capital projects.

- **Managing for Results**

This section is designed to measure the extent to which the government is managed, with a focus on the results of policies. This "managing for results" focus implies substantive strategic planning and self-evaluation, the measurement of outputs and outcomes, use of performance measures in management and resource allocation, and the use of forward-looking needs assessments in program management.

For more information see the Government Performance Project website at: [www.maxwell.syr.edu/gpp](http://www.maxwell.syr.edu/gpp)

## Attachment 1

## STATE GRADE REPORTS

## Management Areas:

FM Financial Management

IT: Information Technology

HRM Human Resource Management

CM: Capital Management

MFR Managing for Results

STATE	FM	HRM	IT	CM	MFR	Average
Alabama	D+	C-	D	D-	F	D
Alaska	C	C-	C-	C+	C-	C
Arizona	B-	C+	D+	D+	B-	C
Arkansas	B-	C+	D	C	D	C-
California	C-	C-	C+	C-	C-	C-
Colorado	C	B	C	C	C	C+
Connecticut	C-	C-	D+	C+	D+	C-
Delaware	A-	B	B	B	B	B
Florida	B	C+	C-	C	B	C+
Georgia	C+	B-	C	C	C+	C+
Hawaii	C-	C-	F	B-	C-	C-
Idaho	B-	C	D+	B-	C-	C
Illinois	B+	B	D+	B-	C	B-
Indiana	B	C+	C	C	C	C+
Iowa	A-	B+	C+	B-	B+	B
Kansas	B-	B+	C+	B	C	B-
Kentucky	B+	B	C+	A-	B	B
Louisiana	B-	C+	C-	B	B	B-
Maine	B-	C+	C	C-	C	C
Maryland	A-	B	C	A-	B-	B
Massachusetts	B	C+	C	B+	C	B-
Michigan	A-	B+	B+	B+	B	B+
Minnesota	A-	C+	B	A-	B	B
Mississippi	B	C+	C-	B	C	C+
Missouri	A-	B	B+	A	A-	A-
Montana	B	B-	B-	B+	C	B-
Nebraska	B+	B-	C+	A-	B-	B
Nevada	B	D	C	B+	C	C+
New Hampshire	B-	B	C	C	D+	C+
New Jersey	B-	C-	B-	B+	B-	B-
New Mexico	C-	B-	C	D	D+	C-
New York	D+	C	C	C-	D+	C-
North Carolina	B	B+	C	B+	B-	B
North Dakota	B	B-	B-	B+	D	B-
Ohio	B+	B	B	B	C+	B
Oklahoma	B-	C-	C-	C	D+	C



**Attachment 2****FEDERAL AGENCY MANAGEMENT PERFORMANCE CRITERIA:**Financial Management Evaluation Criteria:

1. Accurate forecasts of expenditure requirements.
2. Audited financial statements with an unqualified opinion.
3. Engagement in cost accounting so that the agency is able to accurately gauge the cost of delivering programs or services.
4. Appropriate balance between expenditure control (including an effective fund control process) and flexibility for managers in pursuit of established objectives.
5. Clear, timely, accurate, and useful financial reporting.
6. Multi-year perspective on budgeting.
7. Consideration of fiscal impacts of agency actions on other levels of government or other sectors (private, non-profit).
8. Effective management of contracts for delivery of agency goods and services.
9. Budget priorities aligned with current policy priorities.
10. Effective management of cash, receivables, inventories, property, plant, and equipment

Human Resources Management Evaluation Criteria:

1. Clear and understandable personnel policies and procedures.
2. Workforce planning and strategic analysis of needs.
3. Timely hiring and empowerment of program managers to make hiring decisions.
4. Maintenance of appropriate mix of skills among employees.
5. Ability to motivate and reward employees appropriately.
6. Ability to discipline and terminate employees appropriately.
7. Co-operative and balanced labour-management relations.

Information Technology Management Evaluation Criteria:

1. Information technology systems useful to and output utilised by managers.
2. Co-ordination of technology from the centre of the organisation.
3. Multi-year information technology planning process in place.
4. Responsiveness of the acquisition and development process to the needs of users.
5. Well-trained information technology staff and users.
6. Information technology system costs are justified by the benefits it delivers.
7. Citizens and other stakeholders have appropriate access to information, but privacy and security are ensured.
8. Right information to the right people at the right time.

Capital Management Evaluation Criteria

1. Careful strategic analysis.
2. Use of appropriate information to justify capital purchases.
3. Integration of capital budget planning and operating budget planning.
4. Appropriate maintenance conducted.

Managing for Results Evaluation Criteria:

1. Presence of a strategic, results-oriented plan.
2. Involvement of stakeholders in the development of the agency's strategic plan and evaluation.
3. Development and use of indicators and evaluative data by which progress toward results can be measured.
4. Availability and use of these measures for policy making, management, and evaluation of the agency's progress toward its goals.
5. Clear communication of results to citizens, elected officials, and other stakeholders.

Integrating Criteria:

1. Leadership has a vision for the organisation that is effectively communicated to subordinates and followed.
2. Leaders are able to motivate employees to perform in a manner that is clearly linked to the achievement of the organisation's goals.
3. Right people in the right places at the right time.
4. Right information to the right people at the right time.
5. Right resources in the right places at the right time.



### Attachment 3

## QUESTIONS AND ANSWERS ABOUT THE GPP

PATRICIA W. INGRAHAM  
DIRECTOR, THE GOVERNMENT PERFORMANCE PROJECT

### **Why is the government performance project important?**

The GPP is the most comprehensive survey of government management ever completed. In its first full year, it reported on all fifty states and fifteen high profile federal agencies. In subsequent years, it will return to the states, analyse the thirty-five largest cities (by revenue), the largest counties, and additional federal agencies. The GPP provides information about financial management, human resource management, information technology and capital management systems, and procedures for managing for results. It also considers leadership and positive efforts to change.

The results of the Government Performance Project are widely available to citizens, elected officials and government managers. Results for the states, cities and counties will be published in *Governing*. Results for federal agencies will be in *Government Executive*. Materials will be available on line, at the GPP and both magazines' websites. More in depth academic analysis will be conducted by the Maxwell School and an information centre will be created at Maxwell's Campbell Institute.

The GPP is an unprecedented learning opportunity. The information collected allows comparison across all states, across the management systems, across federal agencies, and to some extent between state governments and federal agencies. It creates the examination of a system such as information technology in a variety of settings. The GPP creates opportunities for governments to learn from one another as well as to more systematically examine how their own systems fit together.

The Government Performance Project combines governments telling their own stories with the academic analysis of faculty and staff from the Maxwell School of Citizenship and Public Affairs, the leading school of public management in the United States, with the perspectives of leading journalists in the field.

### **Why management systems? Why not performance?**

Improved performance has become a mantra for reformers at all levels of government. Most of the emphasis has been on measures of performance and not on capacity to perform. Common sense tells us, however, that unless capacity is present, measurement is a futile and dispiriting exercise. The GPP examines capacity by analysing whether government has the right people in the right places, the right information at the right time, and the systems that support both the visions and the strategies of leaders. These are the platforms for performance. Without them in place, high performance is not likely to occur. With them in place, both performance and effective measurement become more likely. In addition, the GPP results provide a comparative context for understanding performance issues.

Good management is constantly emphasised in the private sector. In fact, private sector management practices are often transferred to governments. However, far less attention has been paid to how effective public management systems work and what other governments can learn from them. The GPP's objective is to draw lessons from effective systems and to make them widely available.

Stock market analysts and investors look at the management and leadership of private organisations as one likely measure of longer term performance. Good investors would not put their money in a badly managed

corporation. Citizens, with no such choice about where their tax dollars go, deserve at least as much information about the management of government.

Good systems aid good managers. They are also the products of strong and careful leadership. A focus on management systems allows better understanding of how public leaders translate their goals and objectives into concrete institutional realities – or fail to do so.

### **Why the complicated GPP process? Why not something easier?**

Government is a complicated subject. Government management systems reflect that complexity. Many systems are the products of years of laws, rules, and regulations. Many exist for reasons other than effective management – civil service systems, for example, were created primarily to curb patronage. The systems represent multiple missions, multiple purposes and multiple layers of accountability.

The GPP process – a year long pilot study, a comprehensive self-report survey, extensive follow-up and validation, statistical cross-checks, journalistic interviews, and joint journalistic/academic assessments – reflects the complexity of government and the political environment in which public management occurs. The process also reflects an absolute commitment to be fair and to produce results that are both legitimate and useful.

The survey process gathered information not only about how each of the systems looks and operates, but about how well they fit together to serve common purposes. Assessments of government effectiveness can be highly dependent on where the assessor "sits," so multiple seats were considered. The GPP process is an effort to incorporate broad and diverse perspectives: citizen and legislative groups, labour unions, other agencies, and multiple levels of management. Further, although the survey itself gathered data at one point in time, follow-up interviews continually updated the information used in the grading process.

Sharing the information and the results will produce fine tuning of both the instrument and the lessons learned. The process is one of constant development and the interactions among the Maxwell School, the states, the agencies, and the magazines are ongoing. Further, because all of the states and some of the federal agencies will be analysed twice in the project's first four years, comparisons between different years will be possible.

### **Why grades?**

Grades are a familiar and easily understandable way to measure performance, or, in this case, capacity to perform. Just as student grades reflect student ability, initiative and commitment, the Government Performance Project grades reflect how well governments have used the resources available to them to create sound management systems that support good decision making and service delivery.

The grades are a summary measure of the potential for performance. They assess the extent to which state governments and federal agencies have created long-term system capacity. The GPP operating assumption is that when the overall performance equation is considered, the management system grades will be an important predictor of longer term performance.

The grades can be considered across levels of government. The same management systems were examined in the same way across all fifty states. Direct comparison is more difficult for federal agencies because of their dramatically different missions, but the ability to look at management systems in different contexts and to examine effectiveness in diverse settings is very useful.

The grades clearly and succinctly demonstrate that different levels of management capacity do exist across government and often within governments as well. The grades thus serve as both a diagnostic and a learning tool.

### **What did we learn?**

The most important lesson is that management matters and that both state governments and the federal agencies we studied are paying close attention to it. While Financial Management systems get the consistently highest grades, it is clear that well over half of the states have also directed their attention to capital and infrastructure management.

On the federal side, financial management has clearly been a priority, with 3/4 of the agencies receiving a B or higher for their efforts. In addition, the Government Performance and Results Act (GPRA) has clearly had an impact since 60% of the agencies studied received a grade of B or higher in managing for results.

Good management systems are found in all parts of the country, in rich states and in poor states, and across partisan lines. Only four states (MO, WA, UT, VA) and one federal agency (SSA) received A's. Nearly half of the states received B's. Many states showed grade variation from system to system, with only 17 having generally consistent grades across categories.

Human resources management proves difficult for about half of those studied among both the states and federal agencies. Workforce planning – or planning for future needs – and recruiting for jobs requiring specialised expertise – for example in technology – are high on the list of problem areas for human resources managers.

Information technology management and preparedness is slightly better in the federal agencies, (40% received a C or lower) than in the states. At the state level, 66% received a C or lower. At the same time, states are now focusing greater effort on strategic planning for information technology acquisition and management. Both state governments and federal agencies are home to substantial innovation and system streamlining. Human resources management systems in particular are targeted for simplification and greater flexibility. Financial management systems and processes place more emphasis on planning for possible economic downturns, including greater use of rainy day funds and better use of surpluses.

More subtly, greater attention is also being paid to the best uses of, and the best places for, flexibility and decentralisation. The need for replacing control with flexibility, while still providing for necessary coordination and information gathering is evident in Information Technology, as is demonstrated by the creation Chief Information Officer positions. The central role that good information must play in effective performance is clear.

States and agencies are having a difficult time getting all of their systems aligned and in sync. Civil Service systems, financial management systems, and capital management systems were created to serve different purposes and focusing them on common objectives requires long-term effort and change. The grades reflect different points of reform and progress toward system integration.

Finally, leadership is fundamentally important. Effective management systems are one product of clear missions and visions for performance. Strong leadership played an important role in each of the governments that received a high grade for management.

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**What next?**

- In 1999, the GPP will look at the 35 largest cities by revenue. The following year, the project will revisit the 50 states; counties will be examined in 2001.
- An information clearinghouse created at Maxwell's Campbell Public Affairs Institute.
- In-depth academic analysis will continue at the Maxwell School.